



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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June 13, 2000

CERTIFIED RETURN RECEIPT  
Z 230 748 208

Stephanie McKeachnie  
McKeachnie, Allred, McClellan & Trotter  
121 West Main Street  
Vernal, Utah 84078

Re: Review of Independent 2 (I-2) Amendment, Ziegler Chemical and Mineral Corporation  
(Ziegler), Ziegler Gilsonite Mines, M/047/013, Uintah County, Utah

Dear Ms. McKeachnie:

The Division has completed a review of the additional information for the I-2 proposal submitted on behalf of Ziegler. The additional information was received on April 18, 2000 and was formatted according to our Notice of Intention to Revise Mining Operations form. The Division has processed this submission as an amendment to the existing large mine operation notice of intention. After reviewing the information, the Division has the following items which will need to be addressed before approval of this amendment may be granted. The comments are listed under the applicable Minerals Rule heading. Please format your response in a similar fashion. Please provide a response to this review by **July 31, 2000**.

In addition to addressing the comments in this review, please respond to those concerns previously raised by the Division which have not yet been resolved. A response to these concerns will also need to be provided before this amendment can be approved by the Division. The first unresolved concern was initially raised in the Division's December 2, 1998 letter, and again in the March 21, 2000 letter (copies enclosed). The Division requested an explanation why the costs for reclaiming the Main #1 and Main #2 shaft sites were not included in the initial reclamation cost estimate. If such an explanation cannot be provided, then an estimate of the third party costs to reclaim the surface disturbances at these sites should be provided. These reclamation costs will then need to be included in the revised reclamation surety estimate. If a bonding adjustment is needed to include costs for reclamation of the Main #1 and Main #2 shafts, this could be accomplished in conjunction with the I-2 amendment.

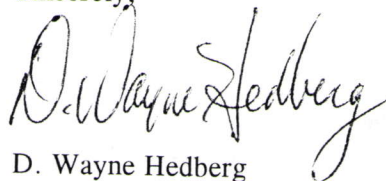
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Ziegler Gilsonite Mines  
M/047/013  
June 13, 2000

The next unresolved concern was noted during the site inspection documented in a memo dated September 28, 1998 (copy enclosed). During the inspection a portion of the Cowboy vein on Ziegler's patented land was examined. A portion of this vein had been mined to the surface. This mining disturbance on patented land was not included in the permitted area for the Cowboy Mine or other Ziegler operations. The Utah Mined Land Reclamation Act does require an approved mining and reclamation plan for mining on patented land. To remedy this unauthorized mining, Ziegler will need to submit an amendment to the large mining notice which describes the mining which took place in this area, the amount of surface disturbance, the proposed reclamation tasks, and an estimate of the costs associated with the reclamation of this mining disturbance. Please provide a map of the surface disturbance and mine openings associated with this mine site. A copy of the Division's revision form is enclosed for your use.

The last unresolved concern was described in a May 12, 1998 letter from Robert Covington to Pete Sokolosky of the BLM. This letter refers to a road around the northeast end of the sacking plant and a 1.72 acre storage area that will be reclaimed by ripping and seeding. The 1987 reclamation estimate described 12.4 acres of disturbance for the processing facilities. Was this storage area and road a part of the disturbed area included in the 1987 estimate? Please provide a scaled map identifying the current disturbances associated with the processing facilities to confirm the 12.4 acre estimate of surface disturbance.

The Division will suspend further review of this amendment until your response to this letter is received. If you have any questions in this regard please contact me, Tony Gallegos, or Doug Jensen of the Minerals Staff. If you wish to arrange a meeting to discuss this review, please contact us at your earliest convenience. Thank you for your cooperation in completing this permitting action.

Sincerely,



D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

jb  
Attachment: Review  
Enclosures: Dec. 2, 1998 letter; March 21, 2000 letter;  
Sept. 28, 1998 memo; May 12, 1998 Covington  
letter, mine site disturbed acreage list 11/23/98  
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# REVIEW OF NOTICE OF INTENTION TO COMMENCE LARGE MINING OPERATIONS

Ziegler Chemical and Mineral Corporation  
Ziegler Gilsonite Mines - I-2 Amendment

June 13, 2000

M/047/013

## **R647-4-104 - Filing Requirements and Review Procedures**

The cover letter states this submission is in response to the Division's letter of March 21, 2000, requesting additional information for the I-2 proposal. As clarification, the Division also requested information at that time regarding the November 23, 1999, plan submitted to the BLM for the Cowboy Vein. It is the Division's understanding from a 3/23/00 phone conversation with Stephanie McKeachnie that Ziegler was going to make such significant changes to that initial plan submitted to the BLM for the Cowboy Vein that it would not be worthwhile for the Division to review that outdated initial submission.

The submission which is the subject of this review is specifically for the Independent #2 (I-2) mine proposal located on patented land owned by Ziegler in the NE1/4, Sec 16, T9S, R24E. The Division has categorized the I-2 proposal as an amendment to the existing large mine operation notice of intention. (AG)

## **R647-4-104 - Operator's, Surface and Mineral Ownership**

As clarification, the I-2 amendment is located on patented land owned by Ziegler. Ziegler owns the mineral rights to the gilsonite on this patented land, while the rights to the other minerals are owned by different entities. (AG)

## **R647-4-105 - Maps, Drawings & Photographs**

### **105.2 Surface facilities map**

This submission suffered water damage during shipping and handling. The information and pertinent section of the blue-line map are legible, but please provide a replacement copy of the blue-line map for our files. The map was titled "Layout Plat located in Sections 15, 16 & 22, T9S R24E, SLB&M," last revision 04-06-00. (AG)

## **R647-4-106 - Operation Plan**

GENERAL OVERVIEW: Based on the information submitted, the I-2 site is an old site, last actively mined in the mid-1970's. Ziegler proposes to re-enter this old mine without creating new disturbances of the existing 1.4 acre area. All roads needed to access the site are old existing roads maintained by Ziegler. The surface structures will include a tippie, hoist house, and compressor shed. Ziegler has been currently using this area for storage of four-inch steel pipe used to shore up mine walls in the underground workings. Based on 3/24/00 phone conversations with Stephanie McKeachnie and Stan Wagner, Ziegler had moved equipment from the I-3 site to the I-2 site to begin start up operations, but immediately stopped work at I-2 when the Division's letter was received. Reclamation work at the I-3 site began at that time. If this general information is incorrect, please provide clarifications as needed. (AG)

### **106.3 Estimated acreages disturbed, reclaimed, annually.**

Ziegler proposes to reactivate mining at the existing I-2 shaft site and utilize approximately 1.4 acres of surface area which had been previously disturbed by Ziegler. Current disturbance at the I-2 site is due to the previous mining at the site and the storage of steel pipe for use in the underground workings. In addition, some of the equipment removed from the I-3 mine site has been placed at this site. No additional disturbance of the 1.4 acres is expected to occur at the site.

The 1.38 acres of disturbance at Site I-3 are being reclaimed. Please provide clarification if any of the statements above are incorrect. (AG)

If the pipe storage area is not included in the 1.4 acres of disturbance proposed for the I-2 site, please provide an estimate of the additional disturbance associated with this storage area. (AG)

Ziegler should be aware that areas which are used for material storage are considered impacted and need to be included in the total mine disturbance (if not presently a part of the bonded areas). For this specific situation, the steel pipe storage area on the pre-law disturbance at the I-2 site would need to be amended into the mine notice even if Ziegler was not going to reactivate mining at the I-2 site. (DJ)

**106.4 Nature of materials mined, waste and estimated tonnages**

No additional mine waste is expected to be generated or placed on the surface from reactivating this existing mine. Please provide clarification if this statement is incorrect. (AG)

**106.6 Plan for protecting & redepositing soils**

Please confirm that there are no plans for salvage, or replacement of soils in the I-2 amendment area. Were any soils salvaged as part of the pre-law disturbance at this site? (AG)

**106.7 Existing vegetation - species and amount**

Since this site is described as being a pre-law disturbance, the revegetation success standard will be based on the vegetative cover of adjacent undisturbed land, or on other sites in the vicinity which are already included in the large mine notice. (AG)

**R647-4-110 - Reclamation Plan**

**110.1 Concurrent & post mining land use**

Please describe the proposed post-mining land use. Please note that the reclamation treatments to be proposed should leave the land in a condition suitable for this post-mine land use. (AG)

**110.2 Roads, highwalls, slopes, drainages, pits, etc., reclaimed**

This submission describes reclamation as removal of all man made structures from the site. The site is then to be scarified and re-seeded with native plants as recommended by the BLM. Please provide a description of the final reclamation, or closure of all mine shafts associated with the I-2 mine. Given that the area is described as flat, the Division recommends that the surface be deep ripped prior to broadcast seeding to relieve compaction and make the reclaimed area less attractive to vehicle travel. Please explain why surface regrading is not appropriate as part of final reclamation of this site. Please explain the reason for using a seed mix recommended by the BLM for reclamation of this disturbance on patented land? Please describe the proposed reclamation for the roads accessing the I-2 site. (AG)

**R647-4-111 - Reclamation Practices**

**111.1 Public safety & welfare**



**1.11 Sealing shafts & tunnels**

See comments under R647-4-110.2 above. (AG)

**111.11 Structures & equipment buried or removed**

Although this site is a pre-law disturbance, all structures, equipment and material stored within this area which are reimpacted will need to be removed as part of final reclamation of the site. (DJ)

**R647-4-112 - Variance**

This submission does not contain any variance requests. Based on this submission information, Ziegler may have difficulty complying with all the Reclamation Practices and needs to request variances from topsoil salvage, topsoil replacement, and revegetation success, specifically for those previously disturbed areas which will be reimpacted and reclaimed. Please confirm that no variances from Mineral Rules (sections R647-4-107 Operation Practices, R647-4-108 Hole Plugging Requirements, and R647-4-111 Reclamation Practices) are requested. Variance requests must be in writing and should follow the format described under section R647-4-112 of the Mineral Rules. (DJ)

**R647-4-113 - Surety**

This submission states that the proposed activities will not change the amount of work required to reclaim this mine site, and that this site has been inactive since the early 1970's and no reclamation has been done since that time.

The current surety estimate does not include reclamation costs for an additional 1.4 acres for the I-2 site. The current Division reclamation estimate does include reclamation of 1.38 acres at the I-3 site (see enclosed list of mine site disturbed acreage 11/23/98). The I-2 site disturbance was not included in the Division's estimate probably because the site was inactive at the time the Utah Mined Land Reclamation Act went into effect in 1975. The reuse of this pre-law disturbance triggers reclamation responsibility for all portions of the site which are reimpacted or reused. Please provide a third party cost estimate for reclaiming the proposed structures and surface disturbances at the I-2 mine site, or provide a sufficient description of the reclamation tasks to allow the Division to calculate an estimate. The reclamation surety currently posted by Ziegler will need to be adjusted to include costs for reclamation of the additional disturbance associated with the I-2 amendment. (AG)

**R647-4-116 - Public Notice & Appeals**

This proposal is categorized as an amendment to the existing large mine operation notice of intention, therefore, a 30-day public comment period is not required. (AG)